

HEALTH AND SOCIAL POLICY

The Plot to Privatize Veteran Brain Care

The VA has developed elaborate capacity to treat traumatic brain injuries. Billionaires want to divert that funding to their own programs.



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In early January, Reps. Jack Bergman (R-MI) and Sarah Elfreth (D-MD) introduced the **BEACON Act**, a bill that pledges to enhance care for a signature wound of the global war on terror: traumatic brain injuries, or TBI.

The legislation, currently moving through the House Veterans' Affairs Committee pipeline, would award \$60 million in grants over three years to private entities for TBI treatment and research, explicitly circumventing well-established clinical **channels within the Department of Veterans Affairs** (VA), which are widely considered the best in the world.

The VA's innovative TBI work **launched** in 2008, with the establishment of a brain bank to collect and study postmortem brain and spinal cord tissue to better understand trauma to that organ. This paved the way for a series of vital discoveries, including a 2016 report that **identified** the cerebellum as particularly vulnerable to repeated blast exposures. Today, veterans with TBI currently have access to evidence-based psychotherapies refined over two decades of clinical practice. The VA's Polytrauma System of Care includes four Polytrauma Rehabilitation Centers, 21 Polytrauma Network Sites, and the VA Translational Research Center for TBI and Stress Disorders. There's also VA's Brain Health Network and Coordinating Center and a joint VA-DOD Brain Injury Center that has developed diagnostic and monitoring tools.

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The private sector has nothing commensurate with this level of care. And yet this bill would push TBI treatment out to private grantees, part of the accelerating movement to privatize the entire VA—even its signature, best-in-class programs. As the ***Prospect* recently reported**, notorious billionaire Steve Cohen is aiming, via another recently introduced bill called the RECOVER Act, to outsource the VA's excellent mental health care to clinics like his own Cohen Veterans Network. While Cohen initially heralded this work as a philanthropic venture, he is now advocating for the federal government to help offset his outlay.

The story of the BEACON Act is eerily similar. The act aims to divert resources from the VA's world-class TBI and PTSD programs by creating a parallel treatment framework, this one also largely backed by a billionaire, the late Republican mega-donor Bernie Marcus, who co-founded Home Depot.

Philanthropists are welcome to give to causes that move them—and their generosity merits thanks. But billionaire patrons shouldn't then approach taxpayers, hat in hand, begging for reimbursement by dismantling important public institutions. The BEACON Act, like RECOVER, is a reverse Robin Hood scheme: taking money the VA desperately needs to continue caring for veterans and handing it to entities funded by wealthy benefactors, who go on to tout their role in helping America's veterans.

LIKE COHEN, WHOSE SON WENT TO AFGHANISTAN, Marcus had a soft spot for veterans. His brother fought in the Battle of the Bulge during World War II; Marcus said he tried to enlist but was turned down by the service for being underage. His compassion for veterans, however, was matched by fierce contempt for the VA.

In a 2016 **interview**, Marcus, who died in 2024, didn't mince words: "The Veterans Affairs is disgusting ... I think the VA is the most disgraceful organization in America today—by far. It's bureaucratic ridden. It's inadequate. The care is not there." His solution? "Get rid of it. Let them be treated by doctors and hospitals all over the country."

During that year's presidential election, he shelled out **\$7 million** for Donald Trump, making him the president's second-biggest single backer. He also poured millions into pro-Israel groups, with at least \$2 million directed to the American Israel Public Affairs Committee's PAC, which is called United Democracy Project, or UDP.

Over his life, Marcus also donated **\$2.7 billion** to various charitable causes, including a constellation of organizations providing private care to veterans. In 2019, he co-founded the Avalon Action Alliance, which serves as an umbrella organization for 20 programs, many of them also funded by Marcus, that deliver free services to veterans, service members, and first responders suffering from TBI, post-traumatic stress, and substance use disorders.

Marcus gave **\$24.7 million to Avalon** during its first five years, plus millions more to key programs within the network. They included the Marcus Institute for Brain Health (beginning with \$38 million from the Marcus Foundation), the Shepherd Center SHARE Military Initiative (founded and funded by Marcus with tens of millions), and the Boulder Crest Foundation, which received roughly \$20 million from Marcus to provide residential programs focused on achieving what it calls "post-traumatic growth." These contributions were amplified by \$50 million from fellow billionaires, including Home Depot co-founder Arthur Blank, George Joseph of Mercury Insurance, Silicon Valley entrepreneur James Clark, and real estate and transportation tycoon Harry Weinberg. Marcus's foundation continues to donate along these lines to this day.

This sprawling network has, in turn, affiliated with a web of deep-pocketed veterans organizations, including America's Warrior Partnership (AWP), **Mission Roll Call**, and Wounded Warrior Project. These groups

donate to and **cross-list** one another as **partners**, united by a shared antagonism toward the VA's operations and a push for veterans to have unfettered access to private care. AWP has also received support from **TriWest Healthcare Alliance**, which has secured tens of billions in VA contracts to furnish private care appointments.

In September 2022, AWP's president and CEO, Jim Lorraine, testified before the House Committee on Veterans' Affairs. His opening **remarks** on the topic of the VA's suicide prevention efforts were scathing. "Personally, this is a disgrace," he charged. "Professionally, it is a failure."

Two years later, Lorraine **argued** before Congress that the VA should back off and let the private sector assume greater responsibilities: "It is not the role of the VA to expand into every community and bring more services 'in-house' to reduce the ability of veterans to use community care. Nor is it the role of the VA to continue expanding into communities and competing against private hospitals and medical centers."

Mission Roll Call is a program of AWP that collects veteran input through digital polls for congressional advocacy. Between 2021 and 2024, it was led by Cole Lyle, who frequently joined the chorus condemning the VA as "failing our men and women who served." According to a source with direct knowledge, Lyle—now with the American Legion—helped draft Project 2025's draconian policy proposals for the VA.

In response to a request for comment, Rep. Elfreth provided the following statement: "I introduced the BEACON Act with Representative Bergman because my grandfather was a veteran who suffered from PTSD. I saw firsthand the complex mental health challenges that our veterans and their families face. I've also seen how traditional VA treatments have come up short for decades to fully address the complex challenges our veterans face—and unfortunately, my family's story is far from unique."

"BEACON will support, not supplant, VA care," said Rep. Bergman in a statement. "Breaking news: people in Washington can be friends, and bipartisan cooperation isn't a scandal."

POTENTIAL RECIPIENTS OF BEACON GRANTS have actively supported the bill. Avalon's CEO was among three advocates present at the bill's publicized introduction, where he **acknowledged**: "This approach aligns directly with Avalon's current TBI study and will help us reach even more veterans and first responders with the care they need."

Boulder Crest was another early **endorser** of BEACON. Previously, Ken Falke, its chairman and founder, testified that the government should underwrite the financing of private philanthropic mental health ventures. Specifically, he **urged** lawmakers to "remove the funding caps," because presently "only 24 of our 132 annually delivered ... programs are funded" by the VA.

The Illusion of Choice



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The major lobbying force for these interests is the Nimitz Group and its powerful CEO, Justin Brown. He seemingly shares his clients' negative view of the VA. Regarding VA suicide prevention efforts, he **declared** last year: "There is not a government program with weaker data supporting its funding than this ... For two decades, VA has used the same playbook with continued failed outcomes." HillVets, a veterans advocacy nonprofit that Brown founded and chairs, designated AWP as a "**nonprofit on fire**." It also named Boulder Crest as the 2019 "**nonprofit of year**."

According to **lobbying disclosures**, Brown did \$320,000 worth of lobbying on veterans issues for Avalon and Boulder Crest in the last two years alone. Multiple sources report that Nimitz was deeply involved in drafting the BEACON Act and promoting it on Capitol Hill, and among veterans organizations. According to federal election data, Brown personally **donated** \$2,500 to Bergman last May. Then, last November, when Brown got married, Bergman officiated, according to a source.

BEACON's Democratic co-sponsor, Sarah Elfreth, also has ties to Marcus's money. Her inaugural 2024 election was supported to the tune of \$4.2 million by United Democracy Project (the AIPAC front group into which Marcus poured millions), according to Federal Election Commission **data**. Home Depot's political action committee also ponied up \$2,500 for her race.

Surprisingly, one of BEACON's detractors is the VA itself. Under the current administration, agency leadership has supported virtually every conceivable avenue for privatizing veterans' care, but not this time. The VA's **testimony** described BEACON as counterproductive, noting that it "would create a new funding mechanism—derived from funds otherwise appropriated by Congress for 'general mental health care programs'—to develop new methodological approaches for 'control trials' ... This uncertain return on investment of funds VA could otherwise use to provide evidence-based treatments for mTBI is inadvisable. Funds made available for clinical care should be used to deliver clinical care." Likewise, these grant mechanisms would also drain funds from "amounts otherwise available to VA ... for research, education, and

consultation” operations of the VA’s National Center for PTSD, “all of which are aimed at improving care for Veterans with PTSD.”

Peer-reviewed studies of these donor-funded TBI initiatives are mixed. A **study** of Wounded Warrior Project’s intensive outpatient program found positive neurobehavioral outcomes among 30 veterans treated with **CogSMART** (developed by VA researchers) coupled with other VA-honed interventions. The **SHARE Military Initiative** reviewed medical charts of 146 participants from a decade earlier and reported “better than average goal attainment” for neurobehavioral symptoms, though the specific treatments used or amounts provided were not detailed. The authors indicated that other factors, such as antidepressant medications, may have played an important role in outcomes.

Boulder Crest’s **18-month longitudinal study**—backed by more than **\$1 million from the Marcus Foundation**—reported positive improvement in post-traumatic stress symptoms of 184 participants who attended their retreat between 2019 and 2021. However, the organization’s own **data** shows it served 1,146 individuals during that period, meaning the other 962 participants were mysteriously excluded from the analysis.

Meanwhile, the single publication from the Marcus Institute **indicated** that results of its program impact are still pending. **America’s Warrior Partnership** has released no health outcome data, including for the \$3 million it received in grants from the VA for suicide prevention interventions. Boulder Crest did not respond to our inquiries about their research.

BEACON is legislative bacon. It would create a windfall for billionaire-funded nonprofits—paying for existing services—while steadily eroding and privatizing the VA, one grant at a time.

Editor’s note: This article has been updated to add comment from Rep. Elfreth.

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BY [SUZANNE GORDON](#) AND [RUSSELL LEMLE](#) DECEMBER 18, 2025

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